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## Venezuela

**Post:** Caracas

### Suggested prices for non-regulated food products

**Report Categories:**

Agricultural Situation

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**Report Highlights:**

The Bolivarian Government of Venezuela has announced suggested prices for those food products that are not on the controlled price list.

**General Information:****The Bolivarian Government will set a suggested price for non-regulated food products**

As per GAIN report VE1019, the Government of the Bolivarian Republic of Venezuela (BRV) has been evaluating prices in the food sector, not only for those products that are subject to price controls but also for those outside of regulation.

The BRV has been holding technical meetings with the private industry; to date they have met with dairy, sugar, poultry, and rice sectors representatives. In that context the Minister of Food said that they are evaluating the cost structures of staple regulated products, and soon new prices will be announced. They are evaluating the impact of devaluation on the cost of food product production, and other elements such as the increase of minimum wages and inflation.

**Suggested prices for non-regulated products**

In the case of the non-regulated products the Minister of Food announced yesterday that the Government will apply "suggested" prices. He explained that the BRV can not allow the price of non-regulated products to increase by, for example, 80 percent as happened recently after the exchange rate adjustment announcement. He added that this will not be a parallel control, but the food industry must ensure that prices are met in their supply chains and actions will be taken for those that don't comply with the provisions requested. A resolution setting the suggested price of non-regulated products will be published in the Official Gazette in few days.

**Direct imports**

The Minister of Food said that BRV will not allow the private sector to import commodities in which the country is self-sufficient, such as rice, white corn, and coffee. In order to compensate for shortfalls in domestic production, imports of those goods will be reserved for the State.

**Unofficial price adjustments**

It was learned unofficially that the prices of dry milk will be adjusted in 20 percent, rising from Bs 15 to Bs 18 per kilo, while a liter of liquid milk will rise from Bs 3.20 to Bs 3.94 per liter, also an adjustment of 20 percent. Farm gate milk price will receive a 31.5 percent adjustment in price to Bs 2.50 per liter. Cheese prices will increase between 17.3 and 20 percent on average. It is estimated that these prices will come into force from March.

Source: media reports and official statements

